

# HOUSE BILL REPORT

## SHB 1869

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### As Amended by the Senate

**Title:** An act relating to transparency of health care cost information.

**Brief Description:** Concerning the transparency of health care cost information.

**Sponsors:** House Committee on Health Care & Wellness (originally sponsored by Representatives Bailey, Hinkle, Anderson, Ericksen and Kelley).

#### **Brief History:**

##### **Committee Activity:**

Health Care & Wellness: 2/13/09, 2/20/09 [DPS].

##### **Floor Activity**

Passed House: 3/4/09, 95-0.

Senate Amended.

Passed Senate: 4/2/09, 46-0.

#### **Brief Summary of Substitute Bill**

- Requires the disclosure of all fees and charges for health care services by health care providers and licensed health care facilities, at the request of a patient.

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### HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Cody, Chair; Driscoll, Vice Chair; Ericksen, Ranking Minority Member; Bailey, Campbell, Clibborn, Green, Herrera, Hinkle, Kelley, Moeller, Morrell and Pedersen.

**Staff:** Dave Knutson (786-7146)

#### **Background:**

Currently, there is little transparency in the cost of health care services for consumers. Most health care delivered currently is paid primarily by a third party; either a health insurance carrier or a public program that purchases health care for covered individuals. Transparency

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and better public information on the cost and quality of health care can help providers improve by benchmarking their performance against others, encouraging private insurers and public programs to reward quality and efficiency, and helping patients make informed choices about their care.

**Summary of Substitute Bill:**

The substitute bill requires the disclosure of all fees and charges for health care services by health care providers and licensed facilities, at the request of the patient. Providers may refer the patient to their insurer for additional information on negotiated charges and fees and any applicable cost-sharing responsibilities of the patient.

**EFFECT OF SENATE AMENDMENT(S):**

Permits hospitals to comply with the notice requirements by complying with existing requirements related to providing written information on inpatient services provided in hospitals to the patient. Removes the requirement that health carriers provide information to the patient on negotiated charges and fees. Requires hospitals to provide information to patients undergoing elective procedures or their right to request information about estimate charges of the patient's hospital charges. Health providers and facilities may refer to the patient's health carrier about ancillary providers who may or may not be part of the same health provider network.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) It is important for consumers to have accurate information on the costs and fees related to the delivery of their health care. It is not easy for a consumer to have access to information about fees and charges related to health care services provided by providers or health care facilities.

(With concerns) The language of the bill needs to be more specific about what exactly the provider or health care facility must provide to the patient.

(Opposed) None.

**Persons Testifying:** (In support) Representative Bailey, prime sponsor; Roger Stark, Washington Policy Center; Terry Hansen; and Troy Nichols, National Federal of Independent Business.

(With concerns) Lisa Thatcher, Washington State Hospital Association; and Susie Tracy, Washington State Medical Association.

**Persons Signed In To Testify But Not Testifying:** None.